



## REPLACEMENT

COUNCIL AGENDA: 12/13/05

ITEM: 2.7

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Scott P. Johnson

**SUBJECT:** SEE BELOW

**DATE:** December 5, 2005

Approved

*Ray Wimer*

Date

*12/6/05*

**SUBJECT: REPORT ON OPEN PURCHASE ORDERS FOR SUPPLIES,  
MATERIALS, EQUIPMENT AND SERVICES FOR FY 2005-2006 #8**

### REASON FOR REPLACEMENT

To request approval of two additional Open Purchase Orders.

### RECOMMENDATION

Approval of award of open purchase orders for supplies, materials, equipment and services for FY 2005-2006 #8 and authorization for the Director of Finance to execute the purchase orders.

### BACKGROUND

This standard memorandum is provided as a cover sheet to an attached list of requests received by the Purchasing Division for open purchase orders. This list indicates the most current requests submitted by various City departments for the establishment of open purchase orders or an increase in the amount of an existing open purchase order for supplies, materials, equipment and services for Fiscal Year 2005-2006. Open purchase orders are used when the amount or nature of the items or services cannot be predicted before they are needed, or when it is necessary that the place from which the items or services are purchased is strategically located.

Pursuant to Sections 4.12.135, 4.12.146 and 4.13.040 of the Municipal Code, competitive quotes or proposals are obtained whenever practicable on all items or services with a payment amount exceeding Five Thousand Dollars (\$5,000). Unless otherwise noted, most advantageous price quotations were used to establish all open purchase orders on the attached list. Formal bidding is not required to establish open purchase orders regardless of the total dollar amount; however, Purchasing does bid some items when feasible. Formal bids are noted on the attachment when applicable.

The attachment may also include open purchase orders for contracts subject to the Living Wage Policy adopted by the Council on November 17, 1998. The policy pertains to contracts exceeding \$20,000 and for designated service categories. The Policy also requires a review of the employee work environment (Third Tier Review). The attachment will indicate each purchase that is subject to the Living Wage and any additional information used by staff in making the recommendation.

### **ANALYSIS**

All open purchase orders, which are expected to have an accumulative total of purchases exceeding \$100,000 during the fiscal year, are presented for Council approval. A list of the new or increased open purchase orders is attached. The attached list includes brief explanatory comments on the items and services.

### **COORDINATION**

Each purchase order request on the attached list has been coordinated with the City Attorney's Office; City Manager's Budget Office and the requesting City department.

### **PUBLIC OUTREACH**

All purchase order requests, which require solicitation of quotations or bids, are advertised on the City's Internet site.

### **CEQA**

See attachment for CEQA determinations.



Scott P. Johnson  
Director of Finance

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Removal of weeds and refuse from City properties and/or right-of-ways maintained by the Department of Transportation	Art Cuevas Landscaping San Jose, CA	\$185,000	\$0	Parks Construction & Conveyance Tax Fund - Central Fund (390) 2005-2006 Proposed Capital Budget, Page V-584
		\$120,000	\$0	Construction Excise Tax Fund (465) 2005-2006 Proposed Capital Budget, Page V-863
		\$60,000	\$0	General Fund (001) 2005-2006 Proposed Operating Budget, Page III-4
		\$35,000	\$0	Airport Maintenance and Operation Fund (523) 2005-2006 Proposed Operating Budget, Page XI-3
	Total Requested Award = \$406,000	\$6,000	\$0	City-Wide Expenses – General Fund (001) 2005-2006 Proposed Operating Budget, Page IX-11

Establish and open service order for the term of January 1, 2006 through December 31, 2006 for weed abatement as required by the Department of Transportation of undeveloped properties and right-of-way owned or maintained by the City. This requirement was competitively quoted: Art Cuevas Landscaping provided the lowest quote. The City's Local and Small Preference Ordinance had no effect on the award decision. Office of Equality Assurance: Prevailing Wage. CEQA: Exempt, File No. PP03-11-359. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: The ongoing maintenance of undeveloped properties and right-of-ways owned by the City of San Jose.

ITEMS/SERVICES DEPARTMENT	RECOMMENDED VENDOR/ LOCATION	REQUESTED AWARD	PRIOR BALANCE	SOURCE OF FUNDING AND BUDGET PAGE
Automotive Parts and Supplies	Frontier Ford Santa Clara, CA	\$50,000	\$95,000	Various Funds 2005-2006 Adopted Operating Budget
<p>Approve an additional amount of \$50,000 to the existing purchase order of \$95,000 for the purchase of automotive parts and supplies as required by General Services/Fleet Division. The department is requesting the increase of \$50,000 to reflect expected usage and consolidation of lines. The original award is the result of a competitive solicitation process. Office of Equality Assurance: Not required. CEQA: Not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: Acquire automotive parts and supplies to ensure city vehicles are in operation and meet safety standards.</p>				
Office Supplies	Office Max Contract Menlo Park, CA	\$600,000		Various Funds 2005-2006 Adopted Operating Budget
<p>Cooperative purchase agreement, California State Contract #01-01-75-55, with Office Max for the purchase of office supplies citywide for the contract period of 12/14/05 – 7/16/06. It is necessary to have an open purchase order in place for office supplies to continue to provide un-interrupted online ordering services of office supplies, which is critical to City operations. Office of Equality Assurance: Not required. CEQA: Not a project. Cost Implication: General Principles #2, "We must focus on protecting our vital core city services." Desired Outcome: Acquire office supplies to continue day-to-day City operations.</p>				